2019 First Quarter Mining Report

Facility Name: US Steel (USS) – Minntac

Current actions: U.S. Steel request for site specific water quality standards and/or use removal

Project Supervisor: Jeff Udd

Project Manager: Jim Robin

Lead Staff: Erik Smith, John Thomas

Lead Agency: MPCA

Accomplishments during this reporting period:

• Continued implementation of the Groundwater Sulfate Reduction Plan at monitoring well GW 012.

• Continued to evaluate U.S. Steel's request for site specific standards and use removal.

Plans for the next reporting period:

- Ongoing implementation of the Groundwater Sulfate Reduction Plan at monitoring well GW 012.
- Continue to evaluate U.S. Steel's request for site specific standards and use removal.

Facility Name: US Steel (USS) - Keetac

Current actions: Air permit major amendment application to replace wet scrubber CE002 (for

Primary Gyratory Crusher No. 2 (EU002)) with a dry cartridge collector venting to a HEPA filter exhausting inside the building (Draft Air Emission Permit No.

13700063-006)

Project Supervisor: Steve Pak

Project Manager: none

Lead Staff: Andrew Luberda (AQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

The MPCA continues to review and address the elements of the air permit application and Title V
 Reissuance.

Plans for the next reporting period:

• Review and address the elements of the air permit application and Title V Reissuance.

Facility Name: Cliffs Erie LLC – Hoyt Lakes Mining Area

Current actions: Reissuance of NPDES/SDS Permit No. MN0042536

Project Supervisor: Jeff Udd Project Manager: Jim Robin

Lead Staff: Richard Clark, Stephanie Handeland

Lead Agency: MPCA

Accomplishments during this reporting period:

• Continued discussions with the company to acquire necessary information for permitting and to assure continued progress on Consent Decree requirements.

Plans for the next reporting period:

- Continue limited internal discussion with the goal of refining the permitting approach and continuing progress on the schedules for the various mining areas/discharges.
- Continue technical review of the updated long-term mitigation plans with follow-up discussions with Cliffs Erie as needed.

Facility Name: Northshore Mining Company

Current actions: 1) Water quality permit reissuance for Silver Bay Plant and Mile Post 7 (MP7)

Tailings Basin (NPDES/SDS Permit No. MN0055301)

2) Air permit major amendment application from Northshore to change how

fibers are regulated (Draft Air Emission Permit No. 07500003-101)

3) 401 Certification decision for West Ridge Railroad Relocation and Tailings

Basin Progression

Project Supervisor: Jeff Udd (WQ)

TBD (AQ)

Project Manager: None

Lead Staff: Brandon Smith (WQ reissuance of plant site permit), Jen Oknich (401

Certification)

Lead Agency: MPCA for AQ and WQ Permits and 401 Certification

Accomplishments during this reporting period:

- MPCA continued to review and consider comments from the bands and Northshore on the prepublic notice draft air permit.
- Northshore submitted the "Five Year Operations Plan, Years 2019-2023" for the Milepost 7 Tailings
 Basin.

Plans for the next reporting period:

- Staff will continue considering the comments received on the draft air permit and determining whether/how the draft permit should be modified as the process moves toward public notice.
- Staff will continue evaluating pre-public notice feedback on the NPDES/SDS permit.
- Determine what revisions are needed to the draft NPDES/SDS permit and a plan for public notice.
- Staff will review the Five Year Operations Plan for the tailings basin.
- Staff will continue evaluating 401/404 application.

Facility Name: ERP Iron Ore Plant 1 formerly Magnetation Plant 1

Current Actions: 1) Water quality permit reissuance (SDS Permit No. MN0069221)

2) Air quality initial permit issuance (Draft Permit No. 06100076-001)

Project Supervisor: Richard Clark

Project Manager: None

Lead Staff: Erik Smith (WQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

• No MPCA activity during this reporting period.

• The facility is idled.

Plans for next reporting period:

• None at this time.

Facility Name: ERP Iron Ore Plant 4 formerly Magnetation Plant 4

Current Actions: Water quality permit reissuance (SDS Permit No. MN0070378)

Project Supervisor: Richard Clark

Project Manager: None

Lead Staff: Erik Smith (WQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

• No MPCA activity during this reporting period.

Plans for next reporting period:

- None at this time.
- The facility is idled.

Facility Name: Mining Resources, LLC

Current Actions: 1) Air quality initial permit issuance (Draft Permit No. 13700341-001)

2) Water quality permit reissuance (SDS Permit No. MN0070050)

Project Supervisor: Richard Clark

Project Manager: None

Lead Staff: Sarah Seelen (AQ), Stephanie Handeland (WQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

• No activity during this reporting period.

• The facility is idled.

Plans for next reporting period:

- The MPCA will continue working on a draft air quality permit, as time allows.
- Begin work on draft water quality permit.

Facility Name: Mesabi Metallics Company LLC (Mesabi Metallics) fka Essar Steel Minnesota

Current Actions: 1) Part 70 permit reissuance and major amendment for final engineering

updates (Draft Permit No. 06100067-005)

2) Water quality permit reissuance (NPDES/SDS permit MN0068241)

Project Supervisor: Richard Clark

Project Manager: None

Lead Staff: Ben Wenkel (AQ)

Lead Agency: MPCA

Accomplishments during this reporting period:

 MPCA continues to review the other air modeling reports and elements of the air permit application.

 On February 14, 2019, the MPCA sent Mesabi Metallics approval of revisions to the air dispersion modeling results.

Plans for next reporting period:

• Continue to review the other air modeling reports and elements of the air permit application.

MAJOR PERMIT APPLICATIONS RECEIVED THIS QUARTER

 The MPCA received a major AQ Permit application on March 5, 2019 from United Taconite for a non-priority project which requested a change to operating hours with no increase in permit allowable emissions. The permit application was returned on March 27, 2019 due to being administratively incomplete.

COMPLETED MINING PROJECTS

Project Name:

Poly Met Mining, Inc. (PolyMet) NorthMet Mining Project

Completed:

On December 20, 2018, MPCA issued the following permits and certifications for the NorthMet Mining Project:

• NPDES/SDS Permit (Permit No. MN0071013)

• Part 70 Air Emission Permit (Permit No. 13700345-101)

401 Certification (Certification No. 1999-5528-JKA)

Lead Staff:

Stephanie Handeland (NPDES/SDS Permit), Sarah Seelen (Air Emission Permit),

Jen Oknich (401 Certification)

Project Name: Completed: US Steel (USS) - Minntac Tailings Basin Water Quality Permit Reissuance

On December 1, 2018, MPCA reissued the water quality permit for the tailings basin (NPDES/SDS Permit No. MN0057207). MPCA also concurrently denied U.S. Steel's variance request and the contested case hearing requests on the 2016

draft permit and preliminary decision to deny the variance.

Lead Staff:

Erik Smith

Project Name:

Poly Met Mining, Inc. (PolyMet) Tailings Basin Area

Completed: On November 1, 2018, MPCA completed ownership transfer of the former Cliffs

Erie Tailings Basin Area Permit (NPDES/SDS Permit No. MN0054089) from Cliffs

Erie to Poly Met Mining Inc.

Lead Staff:

Stephanie Handeland

Project Name:

United Taconite LLC - Thunderbird Rouchleau TH-53 Progression 401

Certification

Completed:

MPCA waived the 401 Certification (No. 2017-01089-DWW) on February 16,

2018

Lead Staff:

Jen Oknich

Project Name:

United Taconite LLC - Fairlane Plant Moderate Air Quality Permit Amendment

Completed:

Moderate air quality permit amendment for higher flux pellet production was

issued January 9, 2017 (Permit No. 13700113-007)

Lead Staff:

Hassan Bouchareb

Project Name: Mag Mining LLC Plant 4 – Initial Air Quality Permit Issuance

Completed: Part 70 major air quality permit was issued March 15, 2016 (Permit No.

06100079-001)

Lead Staff: Sarah Seelen

Project Name: Magnetation Plant 2 Water Permit

Completed: Water quality permit reissued on October 10, 2015

Project Coordinator: Suzanne Baumann Lead Staff: Erik Smith, Ben Underhill

Project Name: US Steel – Keetac – Water Quality Permit Modification

Completed: Water quality permit modification to modify turbidity limits (NPDES/SDS Permit

No. MN0031879) was issued on September 4, 2015, with an effective date of

October 1, 2015

Lead Staff: Brandon Smith

Project Name: Magnetation Plant 2 – Initial Air Quality Permit Issuance

Completed: Part 70 major air quality permit was issued August 18, 2015 (Permit No.

06100078-001)

Lead Staff: Hassan Bouchareb

Project Name: United Taconite – Wet to Dry Particulate Control Change and Modify Scrubber

Solids Wasting Requirements

Completed: Major air permit amendment to replace 22 wet scrubbers with baghouses that

control particulate emissions from material handling operations and modify the scrubber solids wasting requirements. Issued on May 19, 2015 (Permit No.

13700113-006).

Lead Staff: Owen Seltz

Project Name: Hibbing Taconite Company – Wet to Dry Particulate Control Change and

Modify Scrubber Solids Wasting Requirements

Completed: Air permit major modification (Permit No. 1370006-007) to update GP 019: In-

Pit Crushing and Cobbing (IPCC) for increased flexibility. Issued on June 1, 2015.

Lead Staff: Sarah Seelen

Project Name: Northshore Mining Company – Material Handling Equipment Project

Completed: Moderate air permit amendment to install additional material handling

equipment in the finished pellet yard was issued on February 5, 2015 (Permit

No. 07500003-010).

Lead Staff: Cindy Schafer

Project Name: Northshore Mining Company – Low NOx Burner Project

Completed: Major air permit amendment was issued on January 26, 2015 for the installation

of low NOx burners (Permit No. 07500003-009).

Lead Staff: Hassan Bouchareb
